



CHESTER J. CULVER
GOVERNOR

OFFICE OF THE GOVERNOR

PATTY JUDGE
LT. GOVERNOR

May 15, 2008

The Honorable Michael Mauro
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit House File 2700, an Act relating to state and local finances by providing for funding of property tax credits and reimbursements, by making, increasing and reducing appropriations, providing for salaries and compensation of state employees, providing for matters relating to tax credits, providing for fees and penalties, and providing for properly related matters, and including effective and retroactive applicability date provisions. House File 2700 is approved on this date, with the exceptions noted below, which I hereby disapprove.

I am unable to approve Section 12 of House File 2700 in its entirety. This language increases the annual salary rate of the elective executive officials of the State, including the governor, lieutenant governor, secretary of agriculture, attorney general, auditor of state, secretary of state, and treasurer of state. As Iowans struggle to cope with rising costs and economic uncertainties, this is not the time to increase the salaries of the elected statewide officers of the State.

I am unable to approve Section 44 of House File 2700 in its entirety because this language provides an opportunity for only five active members of the Peace Officers' Retirement System (PORS) to receive undeserved special treatment that will be costly to Iowa taxpayers. Section 44 provides this small group of individuals the opportunity to purchase service for years of employment while at a city fire or police department prior to July 1, 1992. Those who would benefit from this section and Section 98 (see below) of House File 2700 had an opportunity to purchase this service from July 1, 2006 to July 1, 2007 and did not take advantage of this opportunity. In one case, an individual would receive an estimated \$33,000 annual increase in benefits. Overall, the unearned benefits for these five individuals could be as high as \$1.8 million. This action could establish a worrisome precedent for creating special carve-outs from our pension funds for small groups of employees.

I am unable to approve Section 45 of House File 2700 in its entirety because the section would reduce professional standards of the recently established statewide electrician

licensing program. This language would require the Electrical Examining Board to adopt rules to create a specially designated license for those individuals who held a locally issued electrician license obtained by passing an examination not approved by the Board for purposes of granting a state Class A license. I am concerned that grandfathering in more electricians who cannot meet the established Class A license requirements creates a public safety concern. I encourage the Electrical Examining Board to take steps to make the examination process more accessible at the local level.

I am unable to approve the designated item of the last sentence in Section 49 of House File 2700. This proposed language requires that five members of the Hospital Licensing Board shall possess recognized ability in the field of hospital administration and one member shall represent the general public. We need more public representation on the Hospital Licensing Board in order to reduce the inherent conflict of interest that members representing the hospital industry face and in order to provide greater voice for the consumers regarding licensing rules that directly affect hospital care.

I am unable to approve Section 50 of this bill in its entirety because state law has no jurisdiction over Federal regulatory actions. This section imposes timeline and procedural requirements that are in conflict with the Federal survey and certification processes for health care facilities. Even if this language only affected state requirements, the proposed timelines would have a significant fiscal impact on the Department of Inspections and Appeals and are unreasonable.

I am unable to approve Section 56 of House File 2700 in its entirety because the proposed timelines are unreasonable. This language would reduce the timeframe for reporting findings to an assisted living program from the current 20 working days to 10 working days. It would run counter to unannounced evaluations and make it impossible to ensure accurate compliance evaluations, which help protect the welfare of Iowans living in assisted living facilities.

I am unable to approve Section 98 of House File 2700 in its entirety. This section, which is related to the above-referenced Section 44, creates an unlimited appropriation from the General Fund to credit PORS for the amount of lost contributions to the Municipal System plus interest for this select group of individuals. As I have item vetoed Section 44, this section is no longer necessary.

I am unable to approve Sections 120 and 126 in their entirety. These sections provide corrective language to House File 2645, the collective bargaining bill. Since I have already vetoed House File 2645, these sections are no longer necessary.

For the above reasons, I respectfully disapprove the designated items in accordance with Article III, Section 16 of the Constitution of the State of Iowa. All other items in House File 2700 are hereby approved this date.

Sincerely,

A handwritten signature in black ink, appearing to read "Chester J. Culver", with a long, sweeping horizontal line extending to the right.

Chester J. Culver
Governor

CJC:rcs